

# APPENDIX K

## **Appendix K-1**

### **COMMONWEALTH ENVIRONMENTAL PROJECT LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**

This Appendix contains a description of a proposed Commonwealth Environmental Project ("State Project") to be funded by the Lexington-Fayette Urban County Government ("LFUCG") as part of the Consent Decree resolving alleged violations of the Federal Water Pollution Control Act, also known as the Clean Water Act. LFUCG will dedicate a minimum of \$1,300,000 to this State Project.

Through this State Project, LFUCG will design and construct a sanitary pumping station and force main for the express purpose of eliminating the Blue Sky Wastewater Treatment Plant (WWTP). Elimination of the Blue Sky WWTP would allow the Kentucky Environmental and Public Protection Cabinet (EPPC) to eliminate a point source discharge on an impaired unnamed tributary of Baughman Fork and ultimately terminate the KPDES discharge permit associated with this facility.

The Blue Sky WWTP is currently operated by LFUCG as Receiver pursuant to the terms of a Franklin Circuit Court Order dated November 15, 2004. LFUCG was appointed and approved as Receiver to "operate the current WWTP and system in its current condition" after the owner and permittee filed for bankruptcy protection in the United States Bankruptcy Court for the Eastern District of Kentucky in case No. 03-52759. Under the November 15, 2004 Franklin Circuit Court Receivership Order, LFUCG is operating the Blue Sky WWTP and collection system "as a representative of the Court." LFUCG may, in its sole and absolute discretion, terminate its appointment as Receivership under the terms of the Order at any time upon sixty (60) days written notice filed with the Court.

#### **State Project Purpose**

This State Project will involve design, right of way acquisition and construction of a sanitary pump station and force main that will eliminate the point source discharge associated with the existing Blue Sky WWTP KPDES permit. Construction of the sanitary pump station and force main would facilitate the conveyance of sewage generated within the Blue Sky Rural Activity Center (RAC) to LFUCG owned collection and conveyance facilities located within the Urban Service Area, with the wastewater ultimately being treated at LFUCG's West Hickman WWTP. The project is not intended to preempt local planning and zoning procedures or decision-making with respect to future development or provisions for providing urban services other than the elimination of Blue Sky WWTP and acquisition of required components of the conveyance system serving the Blue Sky WWTP.

The primary benefit of this project is the elimination of a point source discharge on an impaired, unnamed tributary of Baughman Fork. This unnamed tributary is identified on the Clean Water Act Section 303(d) listing as impaired for nutrients, and the existing

WWTP had a history, prior to the Receivership, of frequent permit exceedances of ammonia-nitrogen limitations. In addition, the WWTP currently does not have a total phosphorus discharge limit and phosphorous concentrations in effluent discharged from the plant are substantially elevated. The project will have the following benefits:

- Elimination of the "primary" source of impairment to the current receiving stream;
- Accommodation of eventual elimination of the Boonesboro Manor Package Treatment Plant;
- Elimination of the need for a "Receiver" to operate the Blue Sky WWTP;
- Improved treatment of the wastewater stream in LFUCG's West Hickman WWTP; and
- Improved control over industrial and other sources that currently discharge to the Blue Sky WWTP.

#### **SEP Project Scope**

LFUCG will select a qualified professional engineering firm to develop the construction drawings, specifications and bidding documents for the construction of the sewage pumping station and force main. Upon receipt of qualified bids, LFUCG will award a construction contract to complete the sewage pumping station and force main as shown on the construction drawings. LFUCG will also proceed with right-of-way acquisitions. The pump station and force station will be designed using sound engineering judgment.

#### **SEP Project Costs**

LFUCG shall spend at least \$1,300,000 for the implementation of this SEP. The monies designated for this project may include the costs of the design and construction of the sewage pumping station and force main, easement / right-of-way acquisitions, and decommissioning and demolition of the existing Blue Sky WWTP. Programmatic and administrative costs incurred by LFUCG will not be counted against the \$1,300,000 devoted to this project.

#### **SEP Project Schedule**

The duration of this SEP will be four (4) years from the date of entry of the Consent Decree.

## **Appendix K-2**

### **COMMONWEALTH ENVIRONMENTAL PROJECT LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**

This Exhibit contains a description of a proposed Commonwealth Environmental Project ("State Project") to be funded by the Lexington-Fayette Urban County Government ("LFUCG") as part of the Consent Decree resolving alleged violations of the Federal Water Pollution Control Act, also known as the Clean Water Act. LFUCG will dedicate a minimum of \$200,000 to this State Project.

Through this State Project, LFUCG will complete an evaluation and analysis of flood-prone areas of the Urban Service Area and create a methodology for identification of future capital projects to mitigate flooding impacts on property. The goal of such future capital projects would be to significantly reduce flooding impacts on property in prioritized residential and commercial areas within the current Urban Service Area. LFUCG will also establish a component of its stormwater management fee that it determines is appropriate to accommodate the funding of such flooding projects. (Performance of future capital projects, apart from the initial stormwater management fee funding commitment, is not a component of this State Project.)

#### **State Project Purpose**

This State Project will involve the development of a methodology that LFUCG can utilize to evaluate flood prone areas and prioritize future capital projects that are intended to reduce flooding impacts to property in residential and commercial areas. The evaluation of flood prone areas and the development of the methodology to prioritize projects in areas prone to recurring flood events will serve multiple purposes:

- Provide a mechanism for improved floodway management, reduction of property damage, and improved public health and safety;
- Provide future opportunities for floodway restoration and enhancement; and
- Provide opportunities for reduced environmental impacts associated with flood events.

In sum, development of a comprehensive methodology intended to prioritize the most frequent and severe flooding events/ areas will accommodate and maximize the benefit of future capital expenditures in the area of flood control.

#### **SEP Project Scope**

LFUCG will select a qualified professional engineering firm to conduct and complete the evaluation. The selected engineering firm will analyze existing and historical documents and reports related to flooding and flooding impacts within the Urban Service Area.

In conducting the evaluation, the engineering firm will analyze and evaluate the existing severity score index system to determine the viability of the index for future project ratings.

Field level investigation will include the distribution of questionnaires to potentially affected property owners, collecting and analyzing the completed questionnaires and conducting follow up interviews with selected property owners. Additional field level investigation will include baseline inspection and analysis of the capacity of stormwater infrastructure and stream / floodway conditions within the targeted area.

The purpose of the field level baseline inspection and analysis is to provide meaningful data for the development of 1) a severity score index mechanism, 2) identification of near-term flood relief action items, 3) capital project implementation recommendations and 4) estimated capital project costs for recommended projects.

LFUCG will provide opportunity for public comment on a published evaluation report that contains:

1. Recommendations for simplifying, improving and/or modifying the existing severity score index;
2. Findings associated with the baseline inspection and analysis of stormwater infrastructure in selected areas of review;
3. The identification of near-term flood relief or elimination action items; and
4. Capital project implementation recommendations and the estimated capital project costs for each capital project recommendation.

Following public comment, LFUCG will consider the report and public comments and adopt a list of its proposed projects. (Nothing in this SEP shall preclude LFUCG from re-evaluating and revising its proposed project list in the future based upon new or revised information.)

To complete the SEP, LFUCG shall accommodate the funding of its selected projects in its stormwater management fee being established pursuant to the Consent Decree. Under this SEP, LFUCG will establish an initial stormwater management fee component for flooding projects. The fee component shall be sufficient to generate a minimum of \$30 million over a period of up to ten (10) years, and the stormwater fee ordinance shall specify that said funds shall be expended for work on the projects on the proposed project list.

#### **SEP Project Costs**

LFUCG shall spend at least \$200,000 for the flooding investigation, analysis and report. The monies designated for this project will cover the cost of the evaluation tasks and the final report. Programmatic and administrative costs incurred by LFUCG will not be counted against the \$200,000 devoted to this project, including the programmatic costs of

determining and establishing the stormwater management fee component for funding future flooding projects.

**SEP Project Schedule**

The duration of this SEP, including the opportunity for public comment on the report and establishment of the stormwater management fee component for flooding projects, will be three (3) years from the date of entry of the Consent Decree.

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